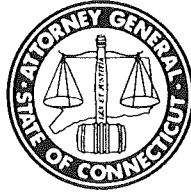


GEORGE C. JEPSEN
ATTORNEY GENERAL



55 Elm Street
P.O. Box 120
Hartford, CT 06141-0120

Office of The Attorney General
State of Connecticut

Tel: (860) 808-5040
Fax: (860) 808-5033

September 12, 2014

The Honorable Denise L. Cote
United States District Judge
Southern District of New York
500 Pearl Street, Room 1610
New York, NY 10007

Re: *The State of Texas et al. v. Penguin Group (USA) Inc. et al.*, No. 12-cv-03394 (DLC); *In re Electronic Books Antitrust Litig.*, No. 11-md-02293 (DLC)

Dear Judge Cote:

On behalf of the Plaintiff States and Class Counsel ("Plaintiffs") in the above-captioned cases, I write to inform the Court regarding an issue that has arisen with respect to the consumer notices sent out in connection with the Settlement between Apple and the Plaintiffs.

As the Court directed in the Order preliminarily approving the Apple Settlement, Plaintiffs began sending email notices to eligible consumers beginning on September 10, 2014. Due to the volume of emails, that process takes several days. On September 11, 2014, it was discovered that, for currently unknown reasons, the first paragraph of the notice sent to Apple consumers was incorrect. Specifically, the paragraph contained language from an earlier class certification notice that had been prepared for consumers notifying them of the upcoming damages trial, prior to the Apple Settlement. That incorrect notice is attached as Exhibit A. We have confirmed that the mistake was limited solely to the first paragraph of the notice. All other aspects of the notice were correct, including the actions to be taken and the deadlines by which they were required. We have also confirmed that the mistake was limited solely to the notices sent to Apple customers. Notices sent to customers of other retailers were correct.

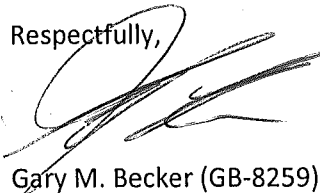
Immediately upon being informed of the mistake, we halted notice to Apple consumers. At that point, we had sent the incorrect notice to approximately 3.1 million of the approximately 4.5 million eligible Apple customers. After consulting with Apple counsel, we have corrected the notice to be sent to the remaining 1.4 million Apple customers. That will occur over the weekend. Concurrently, we will also resend notice to the 3.1 million customers who received the original incorrect notice. The resent notice will indicate in the email subject line that it is "corrected notice". We have also included language in the body of the email, prior to the correct approved notice, as follows: ****This is a corrected Settlement Notice. The information in the first paragraph below has been modified. Please disregard the prior Apple E-books Settlement email notice you may have received on September 10th or 11th, 2014. **** A copy of that corrected notice is attached as Exhibit B. Apple has reviewed and approved this corrected notice.

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We believe that this additional language included with the corrected notice will be sufficient to avoid any confusion that may have resulted from receiving two separate notices. We are also adding information to our call center to address questions that customers might have regarding the receipt of two notices.

We seek the Court's approval for our modification of the notice to include the prefatory statement regarding the fact that it is a corrected notice, as shown in Exhibit B.

Respectfully,

A handwritten signature in black ink, appearing to read "G. Becker", is written over the word "Respectfully,".

Gary M. Becker (GB-8259)
Assistant Attorney General
State of Connecticut

cc. All counsel

Exhibit A – Original, incorrect notice

Settlement ID Number: AP03113506

Benefits from E-books Settlement with Apple

Para una notificación en Español, llamar o visitar nuestro website.

Records indicate that you could be affected by two lawsuits against Apple Inc. (“Apple”) about the price of electronic books (“E-books”). The Court ordered this notice and decided that these cases should proceed on behalf of two groups of people that could include you. The case is scheduled to go to trial to determine if Apple must pay any money.

What the Apple Settlement Provides

The Apple Settlement provides for three possible outcomes, depending on the decision of an appeal of the Court’s July 10, 2013 finding that Apple violated the antitrust laws (“Liability Finding”). First, if the Court’s Liability Finding is upheld, Apple will pay \$400 million to Eligible Consumers. Second, if the Liability Finding is sent back to the District Court for further consideration of whether Apple violated the antitrust laws, Apple will pay \$50 million to Eligible Consumers. Third, if the Liability Finding is reversed, Apple will make no payments.

If Apple is required to pay Eligible Consumers under either of the first two options and if the Court approves the Apple Settlement, you will receive a credit to your iTunes account that may need to be activated. The amount of your payment, if any, will be determined based on the qualifying E-book purchases identified by Apple in your iTunes account.

How to Receive your Benefit

If Apple is required to make a payment to Eligible Consumers, you do not need to do anything at this time to receive your credit unless you change your email address. (If you do change your email address, you should call 1-866-686-9333, or visit www.EbookLawsuits.com and click on the “Update Your Contact Information” link.) If the Court approves the Apple Settlement, you will receive another email letting you know how to activate your credit. Once you activate the credit, it will be applied to your account by Apple. If you bought E-books from more than one retailer, you may receive other notices with different instructions on how to receive a payment.

If Apple is required to make a payment to Eligible Consumers, you also have the option to receive a check instead of your credit. You can request a check by calling 1-866-686-9333, or going to the Apple Settlement website listed below, and clicking on the Check Request Option link **on or before October 31, 2014**. Be sure to reference the Settlement ID number found at the top of this email. Customers who received a check from the earlier E-books settlements do not have to re-submit a check request for the Apple Settlement. However, if your mailing address changes before you receive your check, please visit www.EbookLawsuits.com and click on the “Update Your Contact Information” link to update your mailing address.

Your Other Rights

You can choose to exclude yourself from the Apple Settlement and keep your right to sue Apple on your own. If you exclude yourself, you can’t receive any benefits from the Apple Settlement. Your written Exclusion Form must be postmarked **by October 31, 2014**.

If you don’t exclude yourself, you can submit objections about the Apple Settlement. Your written objections must be postmarked **by October 31, 2014**.

Please visit the Apple Settlement website below for detailed information on how to submit a valid Exclusion Form or objection.

The Court will hold a hearing on **November 21, 2014, at 2:00 p.m.** to consider whether to approve the Settlement. You or your own lawyer may ask to appear and speak at the hearing. The hearing may be moved to a different date or time without additional notice, so please check the website below for additional information.

For more detailed information:

Call 1-866-686-9333 or Visit www.EbookLawsuits.com

Exhibit B – Corrected notice to be resent

****This is a corrected Settlement Notice. The information in the first paragraph below has been modified. Please disregard the prior Apple E-books Settlement email notice you may have received on September 10th or 11th, 2014. ****

Settlement ID Number: AP03113507

Benefits from E-books Settlement with Apple

Para una notificación en Español, llamar o visitar nuestro website.

Records indicate that you may be eligible for a payment from a Settlement reached by State Attorneys General and Class Plaintiffs with Apple Inc. ("Apple"). The Apple Settlement resolves Plaintiffs' claims for money damages against Apple in antitrust lawsuits about the price of electronic books ("E-books").

What the Apple Settlement Provides

The Apple Settlement provides for three possible outcomes, depending on the decision of an appeal of the Court's July 10, 2013 finding that Apple violated the antitrust laws ("Liability Finding"). First, if the Court's Liability Finding is upheld, Apple will pay \$400 million to Eligible Consumers. Second, if the Liability Finding is sent back to the District Court for further consideration of whether Apple violated the antitrust laws, Apple will pay \$50 million to Eligible Consumers. Third, if the Liability Finding is reversed, Apple will make no payments.

If Apple is required to pay Eligible Consumers under either of the first two options and if the Court approves the Apple Settlement, you will receive a credit to your iTunes account that may need to be activated. The amount of your payment, if any, will be determined based on the qualifying E-book purchases identified by Apple in your iTunes account.

How to Receive your Benefit

If Apple is required to make a payment to Eligible Consumers, you do not need to do anything at this time to receive your credit unless you change your email address. (If you do change your email address, you should call 1-866-686-9333, or visit www.EbookLawsuits.com and click on the "Update Your Contact Information" link.) If the Court approves the Apple Settlement, you will receive another email letting you know how to activate your credit. Once you activate the credit, it will be applied to your account by Apple. If you bought E-books from more than one retailer, you may receive other notices with different instructions on how to receive a payment.

If Apple is required to make a payment to Eligible Consumers, you also have the option to receive a check instead of your credit. You can request a check by calling 1-866-686-9333, or going to the Apple Settlement website listed below, and clicking on the Check Request Option link **on or before October 31, 2014**. Be sure to reference the Settlement ID number found at the top of this email. Customers who received a check from the earlier E-books settlements do not have to re-submit a check request for the Apple Settlement. However, if your mailing address changes before you receive your check, please visit www.EbookLawsuits.com and click on the "Update Your Contact Information" link to update your mailing address.

Your Other Rights

You can choose to exclude yourself from the Apple Settlement and keep your right to sue Apple on your own. If you exclude yourself, you can't receive any benefits from the Apple Settlement. Your written Exclusion Form must be postmarked by **October 31, 2014**.

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Call 1-866-686-9333 or Visit www.EbookLawsuits.com